TRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Tractors of engine capacity not exceeding 1800 cc are fully exempted from excise duty. Tractors of engine capacity exceeding 1800 cc attract an excise duty of 15.75 per cent *ad valorem*.

(b) and (c) The prices of tractors are not fixed by the Government as there is sufficient competition in the tractor industry to keep a check on the prices. There has been no change in the extent of excise duty exemption on tractors during the last three years. The market prices of tractors for the last three years are as under:—

Prices of tractors
(Rs. in thousands)

Month & Year	25 H.P.	35 H.P.	45 H.P.
April,'88	86	105	114
April,'89	93	115	125
April,'90	103	129	142

The above information on prices is illustrative. In the absence of price control, the prices of tractors vary according to the manufacturing costs of different models.

Effect of Curbs by United States on Indian Exports

1037. SHRI V. NARAYANASAMY:
SHRI SHIV PRATAP MISHRA:
SHRI SURESH PACHOURI:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware that the varification imposed by the United States on Indian exports is causing hardship to the exporters and that there is curb on investment flows between India and the United States;

(b) whehter Government have taken up the issue with the United States Government;

(c) if so, what is the reaction of the United States Government thereto; and

(d) by when a final decision is likely to be taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): (a) Government is not aware of any curbs on investment flows of any verification requirements on Indian exports imposed by the US Government. Investment flows to and from India are regulated by the Foreign Exchange Regulation Act and policies prevailing from time to time.

(b) to (d) At the Indo-US Economic and Commercial Sub-commission held in Washington in April, 1990 the Indian delegation mentioned a number of impediments that still exist on Indian exports, including countervailing duties and anti-dumping investigations, textiles quotas and health and sanitary regulations. The US delegation pointed out that Indian Government policies and practices severely restrict potential Us investment. Both delegations agreed to look into these issues further.

Similar matters are also being discussed multilaterally in the Uruguay Round of negotiations. The Round was expected to be completed by December, 1990 but has had to be extended. It is not possible to say when these negotiations would be completed.

Cotton Export

1038. SHRI V. NARAYANASAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that his Minister have turned down the proposal for export of cotton to other countries;